



Central office tower is center of controversial state government office center.

Charges fly, work stops on 44-story office tower

Bethlehem Steel Corp. last week filed a \$1-million suit in Albany Supreme Court against Foster-Lipkins Corp., Great Neck, N.Y., charging it, as general contractor, with building out of plumb the core of the 44-story central office tower in the state's \$750-million South Mall government complex now under construction in Albany. Bethlehem claims the improperly built core necessitated extensive steel changes.

Foster-Lipkins in turn lodged a \$5-million counter suit against Bethlehem, the steel subcontractor, charging it with erecting the steel improperly and further accusing the building's architect, Harrison-Abramovitz and engineer Ammann & Whitney, both of New York City, with improper design.

The latest flurry of court action is an aftermath of Foster-Lipkins' head-on collision with the state earlier this month when the contractor lost by default its contract to build the tower.

Foster-Lipkins had accused the state of numerous delays on the project that had put it in an intolerable financial position. The contractor demanded payment of twice its bid of \$21.7 million to complete work on the building.

The state replied with an offer of \$100,000 in compensation. When the contractor failed to reply to the offer, the state cancelled the contract.

The state says the bonding companies must provide an acceptable replacement contractor, but it's possible the bonding companies may re-hire Foster-Lipkins or the state might call for forfeiture of the bond and seek a new contractor.

The 11-building complex, on a 98.5-acre tract, has been plagued by political, financial, design, construction and labor problems and bad luck ever since

Gov. Nelson A. Rockefeller (R) proposed the project in 1959.

It took the state almost two years to work out a financial agreement with the city, permitting the state to build.

When construction on the project began in 1966, it ran into trouble because too much construction was scheduled in too little space. Contractors kept getting in each other's way, resulting in numerous early delays. The tight working quarters became even more crowded as the state started building an arterial highway system for the mall that helped increase the shortage of available labor.

To prepare cost estimates and coordinate the numerous contracts, the state retained George A. Fuller Co., New York City, as supervisor-consultant. However, headache upon headache piled up as some contractors didn't meet deadlines, thereby delaying others. Union jurisdictional disputes and strikes crippled the work schedule. To compound matters, the state kept enlarging its plans for the mall.

The contractors claimed that the delays were eating up their profit margins since costs were rising at a rate of 10 to 12% a year. At Governor Rockefeller's urging, the legislature gave the state power to reimburse contractors that could prove extra costs incurred through no fault of their own.

In 1962, the estimated cost of the project, on the basis of 3.2 million sq ft of office space, was \$250 million. After the project came off the drawing boards, the figure jumped \$400 million with completion set for 1967.

Now already three years off target, the project's total cost is estimated at from \$745 million to \$1.5 billion with completion now set for 1972.

Illinois probes charge that consultants paid for state work

The Illinois attorney general is investigating charges that consulting engineers had to make political kick to get highway work under the present state administration. At the same time a three-man *ad hoc* committee of the Illinois Society of Professional Engineers (ISPE) is looking into why a southern Illinois consulting firm received a contract from the state division of highways for 57% above the original estimate.

Robert Atkins, chief of the state trust division, says that nobody has been charged yet with either soliciting payments from engineers or making payments to members of the present state administration. Although he says the state has been investigating for months the possibility that several firms have engaged in collusive practices, he declined to name persons or firms involved in the investigation is complete.

Leonard K. Crawford, of Crawford Murphy & Tilly, Springfield consulting engineer, said that under the present state administration his firm was specifically given the name of an individual who had to be paid off if we were to receive any state business. Our firm refused to pay off and therefore was not awarded any highway contracts. It is a matter of principle and ethics, we feel, to be a party to such practices."

Crawford, who is a past president of the Consulting Engineers Council of the U.S. and past president of the Illinois Association of Consulting Engineers, said, "It is a deplorable practice that has existed in past Illinois administrations and will exist in the future unless legislation is passed or administrative action is taken to control it."

The ISPE investigation was prompted by two articles in the ST. LOUIS DISPATCH reporting that Hon. Chastain and Associates, Decatur, received \$630,000 to design a highway bypass near Springfield when the engineers estimated design cost at \$400,000.

A spokesman for the firm, Chastain, said, "The Post-Dispatch articles hit quite wide of the mark. We told them what the facts were, and they chose not to believe them." Will Dart, executive director of ISPE, said there are indications that certain firms were left out of the original estimate that would account for the difference.